

# MGMT5730

## Social Entrepreneurship & Venture Philanthropy

Previous Course Code(s): FINA 5970, SBMT 6010G.  
Exclusion(s): FINA 4929G

### Overview

Social entrepreneurship uses business methods to address social and environmental problems, often in innovative ways. Venture philanthropy uses venture capital funding tools to promote start-up and growth of social ventures.

This course combines lectures, case studies, industry expert guest speakers and project work to involve students in social entrepreneurship and venture philanthropy with real social impact as a result. Student teams work with social enterprise partners to develop a growth plan and funding proposal for grant funding to be awarded to one of the social venture partner organizations at the end of the course. The course is MBA as well as inter-disciplinary, and open on a selective basis to non-MBA from other PG/UG programs.

Through the application of business principles and market-based funding practices, mission-driven businesses can bring transformational social and environmental benefits. Social entrepreneurship is catalytic by nature; requiring visionary and resourceful entrepreneurs to think out of the box and take calculated risks in creating new business practices, market norms and customer experiences. Venture philanthropy takes investment funding to a new, impact-driven level of accountability and results-orientation, with the ultimate aim of creating sustainable and scalable social ventures with confident and engaged stakeholders, who, without such funding and other support, would be deprived of developmental opportunities. Social entrepreneurship and venture philanthropy have been rapidly emerging around the world in recent years, not least in Hong Kong.

This course is targeted at students who are interested in the growing social impact business opportunities in Hong Kong and globally.

**Fall 2019**  
**(Sept 3<sup>rd</sup> – Dec 10<sup>th</sup>)**

Instructor: Marie Rosencrantz  
Adjunct Associate Professor

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Office hours: By appointment before class (email)

Course credits: 3

Teaching assistant: Andrea Fung  
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### Venue

HKUST Business School  
Central, 15/F, The Hong Kong  
Club Building, 3A Chater Road,  
Central

### Website

[www.nsm.hk](http://www.nsm.hk)

### Materials

The course materials include:

- Mandatory and recommended materials (readings, websites and videos)
- Case studies
- Course instructor lecture notes
- Social venture partners' presentations, websites and other materials
- Guest speakers' presentations and other materials

### Benefits to students

- Meet social entrepreneurs and learn about their businesses
- Learn about venture philanthropy and expand funding networks

## Goals

The objective of this course is to provide students with the opportunity to analyse and help develop innovative approaches to businesses that bring benefits to society. Students will meet practitioners in social entrepreneurship and venture philanthropy. Students will also work in multi-disciplinary teams to help existing social venture organizations develop plans for growth and development, and associated funding pitches to venture philanthropists.

This is a practitioner-driven experiential learning course with a student-directed venture philanthropy fund sponsored by the Yeh Family Philanthropy, from which grant funding will be awarded to one of the social ventures that the student teams work with throughout the term. The funding decision is determined by scoring from a judging panel, which includes independent experts as well as the students taking this course, during a Funding Committee Meeting organized at the end of the course when student teams pitch on behalf of their social venture partner organizations.

## Expectations

This is an action-based experimental-learning course that approaches social entrepreneurship from a practical work / study and social enterprise/ venture philanthropy perspective. Students should be prepared to **apply** their skills and knowledge through practical problem solving, working with real social enterprises to help them develop growth plans and associated funding proposals. There will be no exams; instead, students will be graded on their class participation, individual due diligence reports, individual participation in team-work, and the quality of the team deliverables.

Technical skills development, such as “how to make financial projections” will not be covered in depth during the course. Those who are already working in the social innovation space and want to further their career through this course may find that they know some of the materials already. Do not expect to be equipped with the full knowledge, skills and tools to run and/or to fund a social enterprise at the end of the course; this is a continuous learning experience. The course aims to provide an overview of the social entrepreneurship and venture philanthropy ecosystem, globally and locally for Hong Kong, illustrate the challenges and opportunities for social enterprises with case studies and guest speakers, provide practical work experience, network opportunities, and open doors for further opportunities in this field.

## Format

Course lectures are delivered by the instructor as well as by industry practitioners as guest speakers. Students will request priority selection for their social venture partner organization the first week

- Action-based experimental learning through project work with social venture partner organizations
- Multi-disciplinary team work
- Career opportunities

## Key dates fall 2019

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### Sept 3<sup>rd</sup>

Welcome class.

Introduction to social venture partner organizations for student team projects

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### Sept 10<sup>th</sup>

Confirmation of social venture partners and student teams

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### Sept 24<sup>th</sup>

Team project concept presentations

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### Oct 8<sup>th</sup>

Individual due diligence reports due

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### Oct 1<sup>st</sup>, 15<sup>th</sup> and 22<sup>nd</sup>

No classes. Team project work to continue.

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### Nov 5<sup>th</sup>

Team funding concept presentations due

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### Nov 17<sup>th</sup>

Funding proposals and pitch presentations due  
Pitch practice session hosted by Goldman Sachs (optional)

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### Dec 3<sup>rd</sup>

of the course, be allocated into teams by the course instructor, and then work with their social venture partners on growth plans and funding proposal projects in parallel with class sessions. Separate group meetings between students and the social venture partner organizations should be arranged to advance project work, in addition to the class sessions. Tutorials will be incorporated into the class sessions to help ensure that team project work proceeds smoothly.

At the end of the course, the funding proposal deemed to have most merit will be awarded HKD 250,000 from the student-directed venture philanthropy fund which is sponsored by the Yeh Family Philanthropy foundation. The grant should be used to grow and develop the social venture as per the plan developed in partnership with the student team. It is the social venture partner who will receive the grant, not the students, but the students may wish to continue to work with their partners to help implement their growth plan.

Funded social enterprises from previous terms will be invited to share their experiences in working successfully with previous students and in implementing their business plans proposed by the winning student teams.

The funding decision is subject to assessment by the Funding Committee on Dec 3<sup>rd</sup>. Details about the funding assessment can be found in *Appendix A*.

Following the Funding Committee Meeting, the winning student team will work with the funded social enterprise to fine-tune and further develop the funding proposal implementation plan. Other teams will continue working with their social venture partners to develop alternative funding plans. Continuous engagement is expected from all students until the end of the course.

### **Social venture partners**

Students request priority for which social venture partner organization that they will work with during this course from a list of four or more partner organizations selected by the Yeh Family Philanthropy, which provides the grant, and the course instructor.

For the fall 2019 course, the following five social enterprises will work with the student teams:

- **BNet Tech:** Smart walking stick for elderly  
<http://bnet-tech.com>
- **Child Development Centre:** Support for SEN children  
<https://www.cdchk.org>
- **ImpactHK:** Outreach to the homeless  
<https://impacthk.org>
- **Inclusive Impact:** Workshops with para-athletes  
[www.inclusiveimpact.hk](http://www.inclusiveimpact.hk)

Funding Committee Meeting

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**Dec 10<sup>th</sup>**

Closing reception or dinner

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**Dec 13<sup>th</sup>**

Final team deliverables due

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### **Multi-disciplinary**

This Business School MBA course is also open to students from all other schools and departments at HKUST. We accept enrollment by MBAs, other graduate programs (PGs) and selected qualified undergraduates (UGs), including but not limited to entrepreneurship, engineering, biochemistry, environmental science, environmental health and safety, global finance, marketing, etc.

The Interdisciplinary Office has been engaged and consulted for this course.

### **Enrolment**

- MBAs will be admitted on a first-to-register basis up to a set quota and will normally represent a majority of class enrolment
- TLE students will be admitted on a first-to register basis up to a set quota
- An enrollment quota is reserved for other selected PG and UG students.

- **KELY:** Empowering young people to reach their full potential <https://kely.org>

Students *should not* request a potential social venture partner that they have an existing relationship with, e.g., as founders, advisors, interns, etc., as the purpose of this course is to partner with and learn from a social enterprise, not create one, as well as in the interest of fairness to all students.

A basic due diligence report should be completed by each individual student for their allocated social venture partner organization as the only written individual deliverable of the course. Individual class and team participation is a significant grading component.

### Outcomes

Upon successful completion of this course, students are expected to:

- Understand the current landscape of the social entrepreneurship and venture philanthropy industry (in Hong Kong and globally).
- Have acquired hands-on knowledge in social entrepreneurship and venture philanthropy through their project work.
- Have the ability to conduct basic due diligence of a social enterprise.
- Think out-of-the-box to develop new business opportunities, market norms and customer experiences with positive social impact.
- Have the ability to research, write and present a professional, credible and convincing social venture funding proposal, including a credible implementation plan.
- Have gained an understanding of how to work with a variety of stakeholders with different mindsets e.g. start-ups, social enterprises, businesses, non-profits, government agencies.
- Have demonstrated the ability to work in a culturally and academically / professionally diverse team.
- Show leadership, compassion and innovative approaches to social business.

### Deliverables

- **Pre-course survey** (Sept 10<sup>th</sup>): Individual
- **Team project plan** (Sept 16<sup>th</sup>) Format as selected by team
- **Project concept presentation** (Sept 24<sup>th</sup>) Team – Short (5 min) presentation of the direction and areas of analysis to be completed for the project work. Power-point format.

- Interested non-MBA students are requested to send their CVs and a brief motivation statement, explaining why they wish to take the course and any relevant experiences, to the course TA.
- In case of more demand than space in the course, the course instructor would give students priority based on their focus of studies, relevant experiences, and / or factors to promote student diversity.

### Application timeframe

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#### July

Course draft syllabus available.

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#### July - Aug

Enrollment requests from non-MBA students accepted.

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#### Aug 22<sup>nd</sup>

Enrollment start

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#### Sept 5<sup>th</sup>

Add/drop deadline

### Teams for project work

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#### Composition

5-8 students in each team

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#### Expertise

Ideally from different disciplines / technical background / work

- **Due diligence report** (Oct 8<sup>th</sup>): Individual - Assess the business and revenue model of the social venture partner organization for the team work. Word format
- **Mid-term course review** (Oct 15<sup>th</sup>): Individual – Experience review and comments on speakers. Suggestions.
- **Mid-course peer review** (Oct 15<sup>th</sup>) Individual – Experience review and comments on team mates
- **Funding proposal concept presentation** (Nov 5<sup>th</sup>) Team – Short (5 min) updated presentation of basic concept for funding pitch. Power-point format.
- **Funding proposal** (Nov 17<sup>th</sup>): Team – Overview of funding purpose, milestones, resource requirements (including financial projections), key performance indicators (KPIs) for social impact measurement and basic implementation plan (including required capacity building and time frame). Word format. *Updates allowed / encouraged / required as per feedback from instructor and others before the Funding Committee meeting.*
- **Funding presentation** (Nov 17<sup>th</sup>): Team – Pitch document based on the content of the funding proposal. Power-point format. *Updates allowed / encouraged / required as per feedback from instructor and others before the Funding Committee meeting.*
- **Course completion review** (Dec 13<sup>th</sup>): Individual – Lessons learnt, personal / team contributions, expectations versus results.
- **Detailed implementation plan** (Dec 13<sup>th</sup>): By winning student team for the funded social venture – Further details of the changes and capacity building required to deliver the intended social impact. Time frame and critical paths. Format as selected by team
- **Alternative funding plans** (Dec 13<sup>th</sup>): Other student teams - Alternative plans for other funding opportunities for their social venture partner organizations. Format as selected by team
- **Final peer review** (Dec 13<sup>th</sup>): Individual – Experience review and comments on team mates

### Detailed weekly class schedule & readings

*The course instructor reserves the right to make changes to this syllabus at any time. Any updates to readings or other class preparations would be announced at least one week before each class. Changes or cancelations of guest speakers may occur without prior announcement.*

experience. Ideally equal # of MBAs / team.

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#### Language

At least one native Cantonese speaker. Ideally also at least one native English speaker.

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#### Nationalities

Mixed teams preferred

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#### Gender

Mixed teams preferred

### Student directed venture philanthropy fund

The Yeh Family Philanthropy supports the student directed venture philanthropy fund and has committed a total of HK\$ 2.25 million to the 2013-19 social venture partner organizations selected by the HKUST courses' Funding Committees to-date. HKD 250,000 has been granted to one social venture partner organization each semester.

The Yeh Family Philanthropy further commits another HK\$250,000 for fall 2019.

### Funding Committee

The Funding Committee is composed of the students of the course and independent senior professionals (votes weighted 50/50 for funding decision).

### Commitment

## Class 1

Sept 3<sup>rd</sup>, 7 – 10:30 pm

### Introduction to course topics and social venture partner organizations

- Introduction of the course and its context. Definition of social entrepreneurship & venture philanthropy (vs. charity work and business donations) / the global poverty situation / social needs that are being unmet and could be alleviated through social entrepreneurship & venture philanthropy / examples of successful social businesses & venture philanthropy.
- Overview of the course and its logistics.
- Presentations by social venture partner organizations. Q&A.
- “Speed-dating” mingling session for students and social venture partner organizations after class.

### Guest speakers:

Kenny Cheung, Program Executive, the Yeh Family Philanthropy foundation

Representatives from the course social venture partner organizations fall 2019.

- **BNet Tech:** Brian Lam, Co-Founder and Director
- **Child Development Centre:** Yvonne Becher, CEO
- **ImpactHK:** Jeff Rotmeyer, Founder and Director
- **Inclusive Impact:** Tom Chui, Founder and Director
- **KELY:** Sky Siu, CEO

### Recommended readings:

Rosencrantz M. (2019) *Positive Contributions to Society through Social Entrepreneurship & Partnerships and Business Solutions to Social Problems* (2018) Biz@UST, also published in the South China Morning Post

Yeh Fung Y. and Cheung K. (2017) *Partnering for Impact* Stanford Social Innovation Review

## Class 2

Sept 10<sup>th</sup>, 7 – 10:30pm

### Social innovation, entrepreneurship & impact. Case: Access to energy

- Different types of social innovation and entrepreneurship; it doesn't have to start “green-field”
- Impact: social and environmental benefits achieved in a business-like and often at least partly self-sustaining manner (not on-going grant / public funding)
- Case study: SELCO – Solar energy for India's poor
- Confirmation of student teams and social venture partners.

### Guest speaker

Bosco Ng, Director, WEDO Global, winner of course grant spring semester 2019, and members of the student team that worked with WEDO Global [www.wedoglobal.com](http://www.wedoglobal.com)

Students will behave according to the highest level of ethics and professionalism, with demonstrable contributions to team work and pre-class preparation when required. Plagiarism is not tolerated.

The course instructor will grade each student according to his / her team and individual efforts, and team and individual deliverables, in a fair and transparent manner.

### Assessment criteria

This is a standard letter graded course. Grades are determined by class attendance, class and team participation and the quality of deliverables as follows:

Class attendance: 5%.

*Students are not expected to miss more than 1 class during the semester as per standard MBA guidelines.*

Class participation: 15%  
Pre-course, mid-course and final course surveys: 5%

Individual due diligence report: 15%

Team project concept presentation: 5%

Team funding proposal concept presentation: 5%

Team funding proposal: 15%

Team funding pitch presentation: 15%

Fine-tuned

implementation plan for

**Mandatory preparations:**

Preference for social venture partner organization to be sent to TA by COB Sept 4<sup>th</sup> for team allocation  
 Pre-course survey to be sent to course TA by Sept 6<sup>th</sup>  
 Signed Engagement Guidelines and Non-Disclosure Agreement to be sent to the course TA by Sept 6<sup>th</sup>

**Mandatory readings:**

Kayser, O. & Budinich, V. (2015) *Scaling up: Business solutions to social problems. A practical guide for social and corporate entrepreneurs*. Chapters 1-3 & 5  
 Case study: SELCO – Solar energy for India's poor *SELCO 2009: Determining a path forward* Yale School of Management  
<http://vol10.cases.som.yale.edu/selco>

**Recommended reading:**

Martin, R. L., & Osberg, S. (2007). *Social entrepreneurship: The case of definition*  
 Dewolf, C. (2015) *For love and for money* The Peak Magazine

**Class 3**

Sept 17<sup>th</sup>, 7 – 10:30pm

**Practical guidance for consulting work for social venture partners**

- Guidance for consulting work & analytical frameworks
- Guidance on course deliverables (team work and individual due diligence report)
- Tutorial on team work and managing a consulting project
- Action plan for project work due Sept 15<sup>th</sup> for instructor to review ahead of the class

**Guest speaker**

Karola Horvath, Co-Founder, Twopresents, course grant winner spring of 2015 [www.twopresents.com](http://www.twopresents.com)

**Mandatory preparations:**

Team project plan due Sept 15<sup>th</sup>  
 Assign team leader and deputy team leader and notify course TA by Sept 15<sup>th</sup>.

**Mandatory readings:**

Review Twopresents' website [www.twopresents.com](http://www.twopresents.com)  
 Cheng M. (2017) *Social Change Toolkit on Social Investment*  
[www.SocialInvestmentToolkit.com](http://www.SocialInvestmentToolkit.com)

**Recommended readings:**

Austin, J., Stevenson, H., & Wei-Skillern (2006). *Social and commercial entrepreneurship: Same, different or both?*  
*Entrepreneurship Theory and Practice* 30(1): 1-22. (2)

the winning team /  
 Alternative funding proposals for other teams: 10%  
 Team peer reviews: 10%

**Weekly class schedule (subject to change)**

Class 1 (Sept 3<sup>rd</sup>):  
 Introduction to course topics and social venture partner organizations

Class 2 (Sept 10<sup>th</sup>): Social innovation, entrepreneurship & impact. Case: access to energy

Class 3 (Sept 17<sup>th</sup>): Practical guidance for consulting work for social venture partners

Class 4 (Sept 24<sup>th</sup>):  
 Growing a social enterprise: different ways to scale-up impact. Project concept presentations. Case: access to quality education

*No class Oct 1<sup>st</sup>*

Class 5 (Oct 8<sup>th</sup>):  
 Establishing a social enterprise, with practical guidance for Hong Kong. Funding and other support for social ventures. Tutorial: business plan and financial model

*No classes Oct 15<sup>th</sup> and 22<sup>nd</sup>*

Class 6 (Oct 29<sup>th</sup>): Funding and other support for social enterprises

#### **Class 4**

Sept 24<sup>th</sup>, 7 – 10:30pm

#### **Growing a social enterprise: different ways to scale-up impact. Project concept presentations. Case: access to quality education**

- Scaling-up. How to overcome key challenges to grow the impact of social enterprises.
- There is a multitude of successful social ventures that can be replicated / scaled-up; no need to “re-invent the wheel”. Social purpose organizations can learn from successful examples and “localize” winning concepts
- Case study: Teach for All: How can Teach for America expand its successful model of education beyond the United States?
- Project concept presentations due: Short (5 min) presentation of project work including direction, planned areas of analyses, surveys / interviews to be conducted, etc. Feedback from instructor and other student teams.

#### **Guest speaker:**

Arnold Chan, Founder and CEO, Teach4HK

#### **Mandatory preparations**

Project concept presentation (power point format; recommended length: 5-10 slides). To be sent to TA and instructor before class on Sept 24<sup>th</sup>. One printed copy to be brought to instructor in class. *Please decide which team member(s) will present your team’s project concept in front of the class.*

#### **Mandatory readings:**

Cheng M. (2017) *Scaling Strategies* Toolkit on Social Investment [www.SocialInvestmentToolkit.com](http://www.SocialInvestmentToolkit.com)

Case study: Teach for All: How can Teach for America expand its successful model of education beyond the United States. Yale School of Management <http://som.yale.edu/faculty-research/our-centers-initiatives/program-social-enterprise/case-studies>

#### **Recommended readings:**

Gugelev, A. & Stern, A. (2015) *What’s Your Endgame?* Stanford Social Innovation Review

Trelstad, B. & Katz, R. (2011) *Mission, Margin, Mandate: Multiple Paths to Scale*. Innovations: Technology, Governance, Globalization 6(3): 41-53

Kayser, O. & Budinich, V. (2015) *Scaling up: Business solutions to social problems. A practical guide for social and corporate entrepreneurs*. Chapters 4, 6-7, 9

*No class Oct 1<sup>st</sup>*

#### **Class 5**

Oct 8<sup>th</sup>, 7 – 10:30pm

(continued). Impact measurement & KPIs

Class 7 (Nov 5<sup>th</sup>):

Funding and other support for social enterprises (continued). Funding proposal concept presentations. Micro-finance

Class 8 (Nov 12<sup>th</sup>): The spectrum of social finance. Venture philanthropists and impact investors. Case: funder collaboration for social impact

Funding proposal and pitch presentations due (Nov 17<sup>th</sup>)

Pitch practice session hosted by Goldman Sachs (Nov 17<sup>th</sup>; optional)

Class 9 (Nov 19<sup>th</sup>): Hybrid value chains and financing. Case: access to sanitation

Class 10 (Nov 26<sup>th</sup>) Individual team feedback from instructor to funding proposal and pitch

Funding Committee meeting (Dec 3<sup>rd</sup>): Award of HKD 250,000 grant to one of the social venture partners

Closing reception or dinner (Dec 10<sup>th</sup>)

**Establishing a social enterprise, with practical guidance for Hong Kong. Funding and other support for social ventures. Tutorial: Business plan and financial model**

- How to practically set up a social enterprise, with a focus on establishing social ventures in Hong Kong
- While social enterprises may be supported by grants or other concessional funding, in addition to own revenues, they need to have credible business plans and financial projections, just like any start-up, with clear cost / revenue forecasts.
- Tutorial by Mark Cheng, Director, Ashoka: What to include in a business plan and financial model.
- Individual due diligence reports due (max 3 pages).
- Mid-term course and team peer reviews due

Final team deliverables due (Dec 17<sup>th</sup>): Detailed implementation plan due from winning team. Alternative funding options due from other teams.

**Guest speaker:**

Mark Cheng, Director, Ashoka

**Mandatory preparations:**

Individual due diligent report of social venture partner organization (word format; max 3 pages)

**Mandatory readings:**

Horvath, K., Co-Founder, Twopresents: (2015) *Quick guide to start your own business in Hong Kong*

Cheng M. (2017) *Business Model and Financial Model Toolkit on Social Investment*

[www.SocialInvestmentToolkit.com](http://www.SocialInvestmentToolkit.com)

Review Ashoka website [www.ashoka.org](http://www.ashoka.org)

**Recommended readings:**

Cheng M. (2017) *Legal Basics and Structure Toolkit on Social Investment*

[www.SocialInvestmentToolkit.com](http://www.SocialInvestmentToolkit.com)

*No classes Oct 15<sup>th</sup> and 22<sup>nd</sup>*

**Class 6**

Oct 29<sup>th</sup>, 7 – 10:30pm

**Funding and other support for social enterprises (continued).**

**Impact measurement & KPIs.**

- Social ventures can be financed through various sources, depending on stage of development, focus of activities and geography.
- Funders of social enterprises expect to see social impact results from their investments, just like regular investors expect financial returns.
- Overview of impact monitoring and evaluation (M&E) systems, including the logical framework, theory of change, and social return on investment (SROI) models.

**Guest speaker:**

Arian Hassani, Vice President, Global Philanthropy, JPMorgan Chase

**Mandatory reading:**

Rosenkrantz M. (2019) lecture notes on Impact Measurement and KPIs (to be reviewed before class)

**Recommended readings:**

Cheng M. (2017) *Measuring Impact Toolkit* on Social Investment  
[www.SocialInvestmentToolkit.com](http://www.SocialInvestmentToolkit.com)

*Venture Philanthropy Practices in Asia: A Guide to Effective Impact Assessment*, 2016, AVPN [www.avpn.asia](http://www.avpn.asia)

Theory of change guidance

[https://en.wikipedia.org/wiki/Theory\\_of\\_change](https://en.wikipedia.org/wiki/Theory_of_change)

and <http://diytoolkit.org> Tools – Theory of Change (Worksheets also available in Chinese)

HKSEC 2012 *Guidelines for Social Impact Assessment*

SROI guides and templates: As uploaded on canvas and as found on:

<http://socialvalueuk.org/what-is-sroi>

**Class 7**

Nov 5<sup>th</sup>, 7 – 10:30 pm

**Funding and other support for social businesses (continued).****Funding concept presentations. Micro-finance**

- Funding proposal concept presentations due: Short (5 min) presentation of basic concept for funding pitch. Feedback from instructor and other student teams.
- Micro-finance. The Grameen Bank and other models to provide access to finance for the BoP

**Guest speaker:**

Rochelle Le Pine and Jared King, Co-Founders, Good Financial

**Mandatory preparation:**

Team funding concept presentation (power point document; recommended length: 5-10 slides)

**Mandatory reading:**

Kayser, O. & Budinich, V. (2015) *Scaling up: Business solutions to social problems. A practical guide for social and corporate entrepreneurs*. Chapter 8.

**Recommended readings:**

Kayser, O. & Budinich, V. (2015) *Scaling up: Business solutions to social problems. A practical guide for social and corporate entrepreneurs*. Chapters 14-17

**Class 8**

Nov 12<sup>th</sup> 7 – 10:30pm

**The spectrum of social finance. Venture Philanthropists and impact investors. Case: funder collaboration for social impact**

- Funding and other support for social businesses: What type of funding is available for different types of social ventures? At different stages in their journey from start-up to scale?
- Overview and examples of the wide range of funders for social ventures: venture philanthropists, foundations, impact investors, international development organizations; their visions and strategies, and how they allocate funding.
- How does “impact investment” differ from ESG strategies for investment firms”?

**Guest speaker:**

Bruce Au, Senior Project Manager, Charities, The Hong Kong Jockey Club

**Mandatory readings:**

Rosencrantz M. (2019) lecture notes on The Eco-system Supporting Social Entrepreneurs in Hong Kong (to be reviewed before class)

AVPN (2019) *The Continuum of Capital in Asia*

Case study: The Hong Kong Jockey Club Charities Trust:

CoolThink@JC Trust Initiated Project

**Recommended readings:**

AVPN (2018) *The Social Investment Landscape in Hong Kong*

AVPN (2019) *Philanthropy in China*

AVPN (2019) *Impact Investment in Asia: Overcoming Barriers to Scale*

**Team projects due by Nov 17<sup>th</sup>** (on canvas or by email to course TA)

Funding proposal (ca 10 page word document, plus unlimited appendices) and funding pitch presentation (power point for 10 min presentation plus 10 min Q&A)

**Pitch tutorial hosted by Goldman Sachs at their office in Central (optional)**

Nov 17<sup>th</sup>, 10 am – 4 pm (TBC)

**Class 9**

Nov 19<sup>th</sup>, 7 – 10:30pm

**Hybrid value chains and financing. Case: Access to sanitation**

- Hybrid value chains / creating shared value
- Examples of new alliances businesses / social ventures / public sector / charities
- Case study: Sanishop – Making home toilets desirable in Cambodia

**Guest speaker:**

Lehui Liang, Head of Purpose Capital, Social Ventures Hong Kong

**Mandatory readings:**

Case study: Sanishop – Making home toilets desirable in Cambodia

Budinich V. *Ashoka's Hybrid Value Chain: Revving the Engine of Sustained Global Prosperity and Social Value* (2012)

**Recommended readings:**

Porter, M. and Kramer, M. (2011) *Creating Shared Value* Harvard Business Press

Kayser, O. & Budinich, V. (2015) *Scaling up: Business solutions to social problems. A practical guide for social and corporate entrepreneurs*. Chapter 12-13

Hystra (2013-17) *Marketing for the BoP*; various publications & events <http://hystra.com/m4bop-1/>

Hystra (2014) *Designing the Next Generation of Sanitation Businesses* <http://hystra.com>

The Economist (2015) *The \$1-a-week school* p. 7, 17-20, 43, 71

**Class 10**

Nov 26<sup>th</sup>, 7 – 10:30pm

**Tutorial**

- Individual team feedback from course instructor. Teams to attend time allocated by instructor for individual feedback / advise on funding proposal and pitch presentation.

**Funding Committee meeting**

Dec 3<sup>rd</sup>, 7 – 10:30 pm

- Presentations of student teams' / social venture partners' funding proposals.
- Funding Committee members and students to score each funding presentation from A (highly recommended) to E (not recommended). See Appendix A for further guidance.

**Funding Committee members**

Karine Hirn, Partner and Chief Sustainability Officer, East Capital  
Anouj Mehta, Principal Regional Cooperation Specialist and, Innovation Hub initiative, South East Asia Department, the Asian Development Bank (AsDB) *TBC*

David Moey, APAC IBCM COO, Credit Suisse

Ada Yip, CEO, Urban Spring, and Director WYNG43 Social Investment company

*Other judge(s) TBC*

**Closing reception and dinner**

Dec 10<sup>th</sup>, 7 – 10pm

- Celebration of winning student / social venture project.
- Sharing of project overviews and lessons learned by all student teams

**Speakers:**

All student teams and their social venture partner organizations

**Final team deliverables due by Dec 13<sup>th</sup>** (on canvas or by email to course TA)

- Detailed implementation plan due from winning student team
- Alternative funding plans due from other student teams
- Final team peer reviews and course completion reviews due

**Additional recommended readings:**

- Martin, R. and Osberg, S (2015) *Getting Beyond Better: How Social Entrepreneurship Works*
- Bornstein, D. *How to Change the World: Social Entrepreneurs and the Power of New Ideas* Oxford University Press
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**APPENDIX A**  
**Funding assessment guidelines for Funding Committee meeting**

**Objective**

These funding assessment guidelines provide the details of the funding assessment criteria, and the content that should be included for each judging input for the participating social enterprises at the funding committee meeting.

**Score scale**

Each participant will be asked to score five distinct criteria for each social business partner organization that student teams have worked with during the course, with the following scale of up to 100 points each (Table 1). Specific scores should be given for each criterion. The final score of each social enterprise will be readjusted to 100%.

Clarification: If a score belongs to Highly Recommended, either one of the 85, 90, 95 or 100 scores should be given. Participants should not put something out of the scale intervals, for example, 21, 57, 83 or 89. Scores out of 100 points should be allocated for *each* of the five criteria.

**Table 1**

Grade	Category	Score
A	Highly Recommended	85   90   95   100
B	Recommended	65   70   75   80
C	Average	45   50   55   60
D	Below Average	25   30   35   40
E	Not Recommended	0   5   10   15   20

**Score sheet**

Each participant is given a score sheet with the five assessment criteria set out in Table 2.

**Table 2**

Criteria	%	Description
Concept	20%	The proposed business or project concept addresses a local, national, regional and/or global social and/or environmental need. The

**Date: Dec 3<sup>th</sup> 2019**

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**Participants**

All students attending the course are entitled to score – one score sheet for each social venture partner organization for each student. Students *will not* score the organizations that their team has worked with.

There will be no more than five judges on the independent judging panel and one score sheet for each enterprise for each judge.

The course instructor will not participate in the assessment and scoring, but will ensure that it is conducted fairly and professionally.

Independent volunteer students will calculate the final score, supervised by the course TA and instructor.

Funding result will be announced at the end of the Funding Committee meeting unless there is an issue with the scoring process.

**Funding**

The social venture partner with the highest aggregate score shall be entitled to grant funding of HK\$250,000.

The release of the grant will be coordinated via the finance department of HKUST.

The funded enterprise needs to comply with the university's documentary requirements for the funding to be released.

Funding is expected to be released within two months after the funding decision has been announced.

		concept should reflect an innovative and feasible approach to address the identified need.
Market readiness	20%	Market assessment study to reflect current and potential social / environmental needs and potential impact in the intended market for the business or project. Details on the size of opportunity, competition, risk and opportunities; pilot and scale up products and services. Regulation, tax and political assessment, etc., may also be relevant.
Team composition & human resources	20%	Demonstrate that the social enterprise team members ( <i>not</i> the student team) have (or have credible plans to acquire) the required skills, knowledge and expertise to perform the tasks required to deliver the business growth / development plan. Develop plans to fill any gaps through staffing plans, leveraging partnership, collaboration networks, etc.
Impact & value	20%	Qualitative and quantitative impact measures and key performance indicators (“KPIs”), with appropriate and reliable data sources, collection methods and frequency.
Sustainability	20%	The revenue model should be sustainable within a proposed timeframe. The final projected year may involve ending the business project, continuing operations at a stable growth rate, transferred ownership and control, or replicating the business in other locations.

**APPENDIX B**  
**Score sheet**

**Objective**

This score sheet is provided to the independent judges and the students for the purpose of scoring potential grantees that are taking part in the Social Entrepreneurship & Venture Philanthropy fall 2019 course as social venture partner organisations.

The assessors will complete one score sheet for each organisation. Scores out of 100 points should be allocated for *each* criteria.

**Score table**

Criteria	Score	Notes
Concept		
Market readiness		
Team composition		
Impact & value		
Sustainability		

**Name of social venture partner organisation**

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**Name of assessor**

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**Remarks**

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*Note:* The course instructor will decide whether there is tactical voting amongst student teams. Any team in breach would be disqualified.